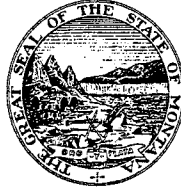


OFFICE OF THE GOVERNOR
STATE OF MONTANA

BRIAN SCHWEITZER
GOVERNOR



SENATE Free conference
Exhibit No. 1
Date 4-27-2011
Bill No. JOHN BOHLINGER SB312
LT. GOVERNOR

April 21, 2011

The Honorable Jim Peterson
President of the Senate
State Capitol
Helena, MT 59620

Dear President Peterson:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby return with amendments Senate Bill No. 312 (SB 312), **"AN ACT REVISING METAL MINE RECLAMATION LAWS; REQUIRING THAT DRAFT PERMITS BE ISSUED FOR COMPLETE AND COMPLIANT APPLICATIONS; REVISING COORDINATION OF PERMIT REVIEWS WITH THE MONTANA ENVIRONMENTAL POLICY ACT; AND AMENDING SECTIONS 82-4-303, 82-4-305, 82-4-335, 82-4-337, 82-4-342, AND 82-4-353, MCA."**

The primary change to Montana's metal mine reclamation laws under SB 312 is to establish a two-tiered review of an application for an operating permit at the draft and final stages. Under the bill, an environmental analysis of the metal mine reclamation permit will not be conducted until after the draft permit is issued. This provision may be workable.

My first two amendments address provisions in the bill, one which appears to have been an unintentional drafting error and the other which appears to be a problematic and substantive change in the law. First, it appears that the bill mistakenly identifies the trigger for a MEPA (Montana Environmental Policy Act) analysis to be at the time of "issuance of the draft permit as a final permit." This language does not make sense. A draft permit is not a final permit, and I believe it would be inappropriate and nonsensical to require a MEPA analysis only after the final permit has been issued. My second amendment is substantive. Current law exempts from MEPA a proposed amendment to an operating permit that changes the permit boundary by an expansion of less than 10 acres or 5% of the permitted area, whichever is less. Senate Bill 312 expands the exemption to 50 acres or 10% of the permitted area. I do not believe an expansion of that magnitude should be exempt from environmental analysis, and I, therefore, ask that the requirements of current law be restored.

Finally, SB 312 was touted by Republican leadership this session as one of ten bills that will bring jobs to Montana. My third amendment is simple. It asks the Department of Labor and Industry to report to the Governor's Office of Economic Development and to the Environmental Quality Council on a quarterly basis the number of jobs that have been created in Montana as a result of the bill's passage. I trust the Legislature will be as interested as the rest of Montana in knowing the answer to this question.

SB 312

Hon. Jim Peterson
April 21, 2011
Page 2

I respectfully ask for your concurrence in my proposed amendments.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Schweitzer', with a stylized flourish at the end.

BRIAN SCHWEITZER
GOVERNOR

cc: Legislative Services Division

Amendments to Senate Bill No. 312
Reference Copy

Requested by the Governor

For the Senate Committee of the Whole

Prepared by Todd Everts
April 21, 2011 (4:59pm)

1. Title, page 1, line 6.

Following: "ACT;"

Insert: "ESTABLISHING TEMPORARY REPORTING REQUIREMENTS;"

2. Page 14, line 8.

Strike: "as" through "permit"

3. Page 18, line 29.

Strike: "50"

Insert: "10"

Strike: "10%"

Insert: "5%"

4. Page 19.

Following: line 23

Insert: "NEW SECTION. Section 7. Reporting requirements.(1)
On or before September 1, 2011, January 1, 2012, April 1, 2012,
June 1, 2012, September 1, 2012, and January 1, 2013, the
department of labor and industry shall report on the number of
jobs that have been created in Montana as a result of passage of
[this act] to:

(a) the governor's office of economic development; and

(b) the environmental quality council.

(2) If requested, the governor's office of economic
development shall assist the department of labor and industry in
preparing the report."

- END -